
DEVELOPING LIFE-QUALITY INDICATORS FOR THE PHILOSOPHY OF SUFFICIENCY ECONOMY BASED UPON BUDDHADHAMMA

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ABSTRACT

Although, sufficiency economy is a philosophy based on the fundamental principle of agriculture, which is traditionally the occupation of most people in Thai society, it can also be applied to other professions. However, this requires some modification so it can guide other professions and can contribute to an integrated economic theory. This modification should be based upon the philosophical principles of Buddhism. To enable this movement from philosophy to practical theory and application, this article will suggest how indicators can be developed based in Buddhism in order to guide the practitioners on living a good life in terms of economics, society, environment, balance, stability and sustainability. All these indicators are guided by the Buddhist middle way. And it will develop these indicators according to His Majesty the King Bhumibol Adulyadej's idea of the 'Three Rings' consisting of *moderation*, *reasonableness* and *self-immunity* combined with two other conditions: *knowledge* and *virtue*.

Keywords: sufficiency economy; Buddhadhamma; King Bhumibol Adulyadej

The Philosophy of Sufficiency Economy

The philosophy of sufficiency economy was initially introduced by His Majesty the King Bhumibol Adulyadej to his subjects for the first time at Kasetsart University's auditorium on 18th July 1974. In his speech he describes its aims as follows:

Developing a country or developing an economy must be done step by step. It should begin with the strengthening of our economic foundation, by assuring that the majority of our population has enough to live on. It must be done by the valid methods and by using the correct technologies. Only when reasonable progress had been achieved, should we then embark on the next step, to pursuing more advanced levels of economic development. Trying to create economic prosperity quickly without developing the public and the government will create imbalances which might become difficulties and eventually lead to failure.²

The King explains that the fundamental happiness of life is to have enough to live on. So one's lifestyle requires wisdom or intelligence and related technical knowledge to support a simple life before aspiring towards higher economic levels. Because if the preliminary economic base were unstable, problems in quality of life and economic failure might follow. Such a failure would lead to debt and suffering instead of happiness. The philosophy of sufficiency economy was designed to address the problems not only of the life of poor farmers, but also of people in all professions and levels of society.

However, the philosophy of sufficiency economy initially received little attention because of the prosperity of the population at that time. After the economic crisis in 1997, this changed. This economic crisis was seen as a burst bubble. It had affected both the rich and the poor. People now paid closer attention to the philosophy of sufficiency economy in both the government and the private sector, and its power to restore and rehabilitate the economic problems. As one of the royal speeches on 4th December 1993 stated:

Being a tiger is not important. The important thing is for us to have a sufficient economy. A sufficient economy means to have enough to support ourselves. A sufficient economy, as I already explained, does not mean that every family produces food for themselves, or weaves clothes for themselves, this would be too strict. But we have to take a careful step backward. Each village or district must have relative self-sufficiency. Something could be produced more than demand; but it should be sold at the place that is not far away in order to save the delivery costs. Some economists claim that this method is already outdated; this may be true for economic trade, but is not for sufficiency economy which is no longer a luxury.³

We see that the philosophy of sufficiency economy focuses on the ability of the economic basis in order to support individuals' life and society. It does not focus on external competition, but instead on internal competition which not only allowing survival but also leads to happiness. It is a philosophy of self-reliance along the principles of Buddhism "*attahi attano natho*: one indeed is self-reliant or one is indeed one's own master."⁴ That is to say, first, a family in a village should first be self-reliant with respect to microeconomics of the community, and only then work towards a higher economic levels of development. The King's reference to a tiger was a metaphor once associated with development. That is, at one time; the government had a policy to develop the economy of Thailand to be the fifth tiger of ASEAN.⁵ This involved a policy to compete on the field of trade⁶ especially among the countries within Indochina: Laos, Vietnam, Cambodia and Thailand. But these ambitions were undermined in 1997 with the Asian economic crisis. After their recovery, these countries have turned to a policy of economic cooperation rather than competition.

The philosophy of sufficiency economy combines the principles of Buddhism with the economics principles of production, consumption, distribution and service. It emphasizes such principles as the tolerance, sharing, diligence, patience and frugality. These principles and virtues are

rooted in the cultural background of Thailand. In short, the philosophy of sufficiency economy creates a special approach to economics based upon the principles of Buddhism.

In the recent times, the philosophy of sufficiency economy has attracted interest not only among Thai people but also from various countries. The leaders of various countries and international organizations including Kofi Annan, the former secretary-general of the United Nations, had an audience of His Majesty the King Bhumibul Adulyadej and admired his philosophy of sufficiency economy and believed it appropriate not only to Thais but also to people worldwide.⁷

The results of sufficiency economy upon happiness is based upon how life is lived or practice. A philosophy of sufficiency economy should help the practitioners develop morals leading to happiness in the practitioner's lives. That is, the practitioners in a society might pursue happiness together without any adverse social impact on one another, because there is no competition to outdo each through trading, and no competition which would lead to violence. This is because it promotes friendship, broad-mindedness and sharing. Social activity involves cooperation and the willingness of people to help one other.

Finally, the principles of the philosophy of sufficiency economy are not complex, but easy to follow. It simply means to follow the middle way. It involves neither heavy, nor light production, but continuous production. It emphasizes to producers the importance of intellectual reasoning and planning. This provides immunity for the state from adverse economic impact.

To understand the deeper connections with the principles of Buddhism is to understand how the quality of life is shaped by the law of causation or *paticcasmuppada*, the chain of phenomenal cause and effect. And to understand way in which the principle of causation affects the quality of life, requires ways of measuring or gauging our economic activity and life style. This requires indicators.

Twelve main indicators created by researcher are **wisdom, mind, dharma, action, occupation, income, property, charity, friendship,**

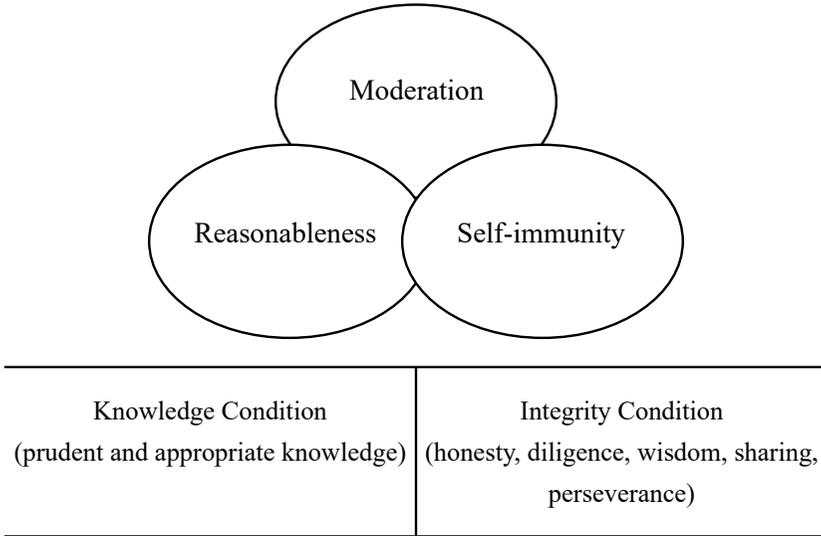
health, peace and happiness. All are created by benchmarking with the law of reason on the theory of the chain of phenomenal cause. They are created by shifting from negative to positive, that is to say, the starting ignorance of *paticcasmuppada*, which is negative component, is shifted to wisdom which is the positive component of the positive circle of quality of life. According to Buddhist logic, when a life is led by wisdom, then the effect would be happiness. This happiness becomes the goal of life.

There are often doubts concerning the status of sufficiency economy. Is it a philosophy or a practical theory? To consider its content, system and method suggests that it may be both. That is, the duty of philosophy is to search for the truth in order to present or unfold it to the public, meanwhile theory is based upon observable facts, which can be explained through logical and practical connections. In summary, we can consider philosophy as the main content, but theory as the tool for practice leading to economic results, for sustainably and the achievement of happiness and a good life which is the highest aim of general people.

Although, sufficiency economy is a philosophy based on the fundamental principle of agriculture, which was traditionally the main occupation of people in Thai society, it can also be applied to other professions. However, this requires some modification so it can guide other professions so it can lead to an integrated economic theory. This modification should be based upon the philosophical principles of Buddhadhamma

To enable this movement from philosophy to practical theory and application, this paper will suggest indicators based in Buddhism in order to guide the practitioners on living a good life in terms of economics, society, environment, balance, stability and sustainability; all indicators are guided by the Buddhist middle way. And it will develop these indicators according to Majesty King Bhumibol Adulyadej idea of three rings consisting of moderation, reasonableness and self-immunity with two ingredient conditions: knowledge and virtue.

The Middle Path



According to the philosophy of sufficiency economy, the middle path means moderation, a balance of economic activity. One avoids greed, but operates in accordance with one's roles or duties in society with reasonableness and self-immunity. Reasonableness means that decisions must be made rationally with consideration of the factors involved and careful anticipation of suitability, time, chance, environment, capital and kind of work. Self-Immunity or risk-management means the mental strength, reliability, preparedness to take risks and aptness to listen to comments, suggestions and critiques from others. The condition of Knowledge and Virtue condition are the requirements of the operation according to the philosophy of sufficiency economy. All operators must possess well rounded knowledge in the relevant fields and prudence in bringing this knowledge into consideration to understand the relationship among the diverse fields so to use them to aid in the planning and ensure carefulness in the operation. To pursue any activity without specialized knowledge risks failure. So operators need to exercise care in decision making. This care is also related to the condition of Virtue. These virtues: diligence, endurance, honesty, sacrifice, charity, frugality, austerity,

intelligence are the mental bases, that underlie and direct the mental powers such as belief, precepts, perseverance, meditation and wisdom.⁸ The philosophy of sufficiency economy consists of concepts concerning morality, economy and society. They can lead the practitioners to happiness, a high standard of living, which follows the quality of life according to the principles of Buddhism.

The word “philosophy”, according to Thai Dictionary legislated by the Royal Institute of Thailand, means approaching a subject through the principle of knowledge and truth. The word “*para + jañā = parajañā*” is a word in Sanskrit, which is related to a word in Pali “*paññā*”.⁹ It means knowledge, wisdom, and attainments. However, while the words “*parajañā*” and “*paññā*” are used in Thai, the meaning does not match exactly. The word “*parajañā*” (philosophy) means the love of knowledge and the truth rather than as wisdom.

The word “*setthakicca = economy*” is a compound word between Sanskrit language (*settha*) and Pali language (*kicca*). The meaning of this compound word is any activity that earns property or income. This compound word, on the other hand, emphasizes a physical meaning that focuses on the physical principle of general economy. But, according to the definition of economy on Buddhist principle, it gains an insight into the property as a mental image or abstract, which exceeds the property as an object. It, then, is called a noble wealth viz., faith, morality, moral shame, moral fear, profound knowledge, charity and wisdom.¹⁰ Those who occupy these 7 noble properties are the wealthy men along the wise men’s viewpoints. The word “*setthakicca = economy*”, in conclusion, means to be done perfectly or action that is the best for life. Again the words Śrestha in Sanskrit, *Settha* in Pali and *Trapyā* in Prakrit, one of the languages of ancient India, means a good thing for the life, what is gratifying or what is satisfaction for life.

The word “*popieng = sufficiency*” is from the Thai language. The words *po* and *pieng* refers to moderation. The compound word is a description of a state of peacefulness, where we are free from the greed which leads to mental suffering.¹¹ To know sufficiency is valuable for

life as the sages said “knowing sufficiency increase happiness at all”, whereas the insatiable persons not only create suffering for themselves, but also damage to others as well. In times of scarcity, when one has a lot, others will have less or perhaps not at all. It causes inequalities in society which must share resources. But, according to Buddhist economics, it is permissible to possess material goods as long as it does not deny others. A definition of the term self-sufficiency in relation to the middle path, would be that one can possess goods, but there should be no extreme inequalities or excesses.

According to Buddhist philosophy, body and mind are closely related to each other. Therefore, when there is a problem affecting the body, it also effects the mind. The body, in fact, is the base of the mind, and the mind is a latent power of the body. Mind is a leader and the most important thing of life.¹² Concerning the mind, the aspect is a system of beliefs and behaviors, the external aspect is the system of economy, society and politics that determine human behaviors. The external system conditions individuals to behave in certain ways. For instance, an authoritarian system might restrict the freedom of opinion demonstration etc.

Buddhism has methodologically examined the relationship between body and mind, such as the chain of causation or the law of dependent arising, and the law of karma. These principles all discuss the relationship between body and mind. Our behavior leads to consequences in the cycle of birth and death. The law of karma is used to explain these consequences of our behavior and actions.

In times, in which hermit named Sitthattha mortified by mind and body separation apart in accordance with self-mortification method in order to reach mental noble morals that are the highest qualities of life believed on that time.¹³ Until finally, he realized that self-mortification is wrong method, and later on noted that quality of life is physical and mental perfection. He, then, turned to practice along the middle path and discarded both extremes of luxurious living and self-mortification, which is obsession in carnality that is mental satisfaction and self-mortification; denying physical pleasures. After he ate, his body returned

to normal, then he determinate to mental practice with the Middle Path of moderation based on the practice of virtue, concentration of the mind, and the intensive analysis of all psycho-physical phenomena that finally he attained enlightenment and became the Supreme Buddha.

The essence of the philosophy of sufficiency economy shows that activity in society should consist of 3 rings; moderation, reasonableness and risk management or self-immunity with 2 ingredient conditions; knowledge and virtue. These 5 factors will support those who follow this theory to succeed and achieve happiness in life.

The method to create and develop indicators of quality of life

Contemporary education involves systems and metrics to measure the quality of teaching and learning. We are living in an information age where our goals need to be considered and measured based upon variables and indicators. These mathematical and statistical systems insure reliability and unbiased assessment of the evaluators. The same thing can be done for the measurement and promotion of sufficiency economy. Buddhadhamma is a very important source for these variables and indicators.

To create these indicators require recognizing these elements of Buddhadharma being appropriate to the quality of life. The creation of indicators is preceded by comparison and imitation the theory of the law of causation, which can explain the circle of human life. The law of causation has been called several names, such as theory of dependent origination, etc. The reason of carrying the so-called theory to be a prototype is that the theory of the causation is the great and very important to explain the cause of human cycle of birth and death and the method to quench the cycle of birth and death.¹⁴ This theory is regarded as the heart principle of Buddhism.

To create the indicators of life, quality in accordance with the principles of Buddhadharma we must start with wisdom. Any theory which begins with ignorance of causation leads to dependencies which diminish the quality of life. When we have established wisdom and its

eleven following indicators as the main indicators of life quality, the next duty is to create the sub-indicators with the philosophy of sufficiency economy.

The twelve main indicators can be divided into four main groups:

1. The Moral group consists of wisdom, mind, dharma and karma or behavior. Wisdom is a virtue considered in contrast to ignorance, which is connected to desire. Wisdom is an invaluable resource for beings. This is why it is so valued in Buddhist scripture where the wise are considered as the noble ones. In the Buddha's proverbs "*Pañña hi settha kusalā vatanti: the wise men say that wisdom is an absolute nobility.*"¹⁵ "*Natthi pañña samā ābhā: Light is not always wise.*"¹⁶ ... *pañña lokassami pajjoto: Wisdom is the light in the world.*"¹⁷ When wisdom is the leader, then everything that follows: mind, dharma, behavior will be good. Furthermore, when these moral groups are developed in the human being, then the rest of the groups will be developed. It might be said that the virtue of wisdom should be developed before any other in order to solve life's problems.

2. The Economic group consists of occupation, income and assets.¹⁸ The valuable living is reliant on these three main indicators. If anyone were absent, a life has to face many problems, because occupation increases income, income increases assets and assets are benefactors to life and others.

3. The Social group consists of charity and friendship.¹⁹ Human life involves both acquisition and loss. Charity, means to donate property, time, physical energy, thought and even life for the sake of the public interest. Charity also leads to friendship and creates harmony that will be the power to perform social activities. Charity and friendship foster the harmonious organization of the state. Therefore, they are regarded as models of goodness and the quality of life as well.

4. The Happiness group consists of health, peace and happiness.²⁰ Health is the concrete indicator, because though the other indicators are important, if one has health problems, the peace and happiness in their life will suffer. Therefore, health is an important indicator of quality of life. Peace is one important quality of life as well, because if one's life is

full of turbulence, they cannot lead a good life. Internal turbulence results from unusual mental conditions such as passion; greed, anger and delusion, external turbulence results from natural and social environments. When life is disrupted by these factors of internal passion or external violence, then happiness would be certainly missing.

This is why the quality of life can be considered by various variables and indicators such as intelligence, good will, morals, virtue, good behavior, good occupation, good income, assets, charity, friendship, health, peace and happiness. These 12 factors are in close relationship with each other. If a life possesses one factor, it can be encouraged to develop the other factors as well. This is why such indicators need to be developed. They show us the interconnection of values and how to cultivate a sufficient life-style which is consonant with Buddhadhamma.

ENDNOTES

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² Manit Kittichungcit, *Sufficiency Economy*. P. 19.

³ Mis Majesty the King Bhumibol Adulyadej, *ibid.* p. 20.

⁴ Khu. Dh. 25, 36, 66.

⁵ Nowadays ASEAN consists of ten countries.

⁶ Government of Gen. Chatchai Chunhawan, 1988.

⁷ Pladisai Sithithanyakic, *The Developer King*, 2000: 219. 6th edition.

⁸ Manit Kittichungcit, *ibid.* 28-29.

⁹ Both of the words in Sanskrit and Pali “parajañā” and “paññā” are the language of the ancient Indian and Sanskrit language is used in Vedas scripture of Brāhmin - Hindu and in Mahāyāna Buddhism, meanwhile Pali is used in Theravada or Hinayana Buddhism.

¹⁰ Ang. Sattaka. 23.6.5.

¹¹ Cirayu Israngkur, *Positioning, Suffering Economy*. p. 58.

¹² Phrabuddhaghosacariya, Dhammapadathakatha, *The Text Book*, part I. p. 1.

¹³ The Self-Mortification method at that time has two forms: Loosing and

Stitching.. Su P.A. Payutto, *Dictionary of Buddhism* (15). 2551: 63.

¹⁴ Theory of causality or dependent origination are terms referring to the Pali term *paṭiccasamuppāda*.

¹⁵ Khu. Ja. Sattaka. 27. 541.

¹⁶ Sam. Sa. 15. 9.

¹⁷ Sam. Sa. 15. 61.

¹⁸ Amporn Vicitpunthu. *The Main Stream of Economics*. 2007, p. 2.

¹⁹ Charity, According to Adhitthanadhamma means liberality or renunciation which is the highest state. The Pali version of Rajadhamama is called *pariccaga* which means self-sacrifice.

²⁰ Khu. Du. 25. 42.